

Quiroz & Company, LLP
Certified Public Accountants
580 California Street • San Francisco, CA 94104

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TAX EXAMINATION ENGAGEMENT LETTER

DATE _____

YOUR NAME _____

STREET ADDRESS _____

CITY, STATE ZIP _____

Subject: Tax Examination Engagement

Dear Client:

This letter confirms arrangements for us to represent you in connection with an IRS examination of your 2009 or 2010 Federal or State income tax return.

In order to begin this engagement, please sign and provide Form 2848, Power of Attorney and Declaration of Representative, which we will use to notify the IRS that we are your authorized representative, and return a signed copy of this letter provided for the purpose of confirming the terms of our engagement. We will represent you before the IRS during this examination, unless either party terminates the arrangement in writing. In the event we cannot resolve all issues at the examination level and if the results are reasonable and yet contestable, we may advance to the appeal process, to represent you through the IRS or state tax agency appeal process.

We generally will not audit, or otherwise verify, information you provide for presentation to the Internal Revenue Service during the course of the examination. However, we may ask you for further clarification and expect you to provide that clarification promptly and candidly. Also, our professional standards require that we make inquiry about representations that seem unusual or inconsistent with other knowledge we have of your tax affairs.

Your communications with us regarding matters raised in an examination of your tax returns are "confidential," not "privileged." That means, in most cases our communications cannot be disclosed to third parties without your approval. Tax advice has limited protection from disclosure to the Internal Revenue Service. On the other hand, privileged communications are not permitted to be disclosed, even in court. There is no accountant-client privilege in criminal tax matters. Accordingly, if we are served by a properly issued administrative summons compelling us to testify in court proceedings, even our confidential communications are subject to disclosure, except in the limited circumstance of tax advice. In the event we are served with a summons regarding your affairs we will immediately contact your legal counsel so that your rights can be protected.

We will not represent you in any federal or state courts, including U.S. Tax Court, nor will we prepare any court related documents, or provide or prepare tax court petitions or provide any form of legal representation for you under this tax representation agreement.

The Internal Revenue Service has recently initiated procedures that have led to a growing number of requests by examining agents to interview the taxpayer directly. However, you have a statutory right to be represented, and not to meet with the examining agent (unless you are served with an enforceable administrative summons). It is in your best interest to refer any questions or other contact from a revenue agent or other tax official to us without any discussion with the tax official. While our firm is engaged as your representative, you agree that any direct contact by the IRS, or other tax officials will be promptly referred to us as your authorized representative. If you choose to appear before, or discuss this case with, a tax official against our advice, you do so at your own risk.

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STANDARD TAX EXAMINATION ENGAGEMENT LETTER *Continued*

We may withdraw as your taxpayer representative should we not be assisted by you in our efforts to provide the information required by the taxing authorities, in a manner that is both timely and complete and necessary for the audit to be conducted and concluded professionally and effectively. There may be other circumstances under which we will may withdraw as your representative, at our sole discretion and judgment, including but not limited to representation in circumstances where tax returns were negligently prepared and filed, and or grossly inaccurate as to any part of the tax return, and/or where the tax filings for any manner of reason is not accurate and taxpayer is unable or unwilling to provide support for income or deductions or to correct the tax return information under audit. Also, we may rely upon representations made by you to us. However, should such representations seem unusual or inconsistent or unsupported with other tax matters, income tax rules and regulations, we may withdraw at our sole discretion immediately. We will provide you with our notice of withdrawal to you and the audit agency via regular mail and/or by electronic mail within 3 business days of our notice to terminate our services.

We will not be responsible for the favorable or unfavorable outcome of your audit, nor for any taxes, interest or penalties that may be owed by you or owed to you as a result of the audit for which we are engaged. Our professional services are guided by the AICPA Code of Professional Conduct, the ethical tax practice standards for members of the AICPA: Statements on Standards for Tax Services and U.S. Treasury Department Circular 230 and lastly the penalty provisions of the Internal Revenue Code.

To affirm that this letter correctly summarizes your understanding of the terms of our engagement, please sign and return one copy in the enclosed envelope. Thanks for your confidence in our firm.

Sincerely,

Quiroz and Company LLP

Quiroz and Company LLP

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YOUR ACCEPTANCE ELECTRONIC
PRINT NAME AND EMAIL THIS FORM _____

SPOUSE NAME (IF JOINT RETURN) _____

Date: _____